

## Russians in transition: Views from Below

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*To describe Russia as a society in transition is politically convenient because it implies predictability: we know where Russia is heading, as well as where it is coming from. A destination model is the basis for policy prescription designed to achieve the goal of a modern market economy and a stable democracy. Transition then becomes a "mere" problem of ensuring that the necessary steps are taken to achieve the desired goals, just as classic Marxism-Leninist prescriptions addressed the "mere" problem of the transition to socialism. (Richard Rose 1994 p 41)*

Only one and a half decades after the fall of the communist regimes in Eastern Europe, enormous changes have without doubt taken place in the former communist region. The slogans of the 1990s – democracy and market (or vice versa) – have to a large extent been realized, more so in the countries in the eastern part of Central Europe than in "the New East", i.e., Europe to the east of the eastern border of the European Union, and even less so in the countries in Caucasasia and Central Asia. However, "these countries discarded the old socialist regimes and began a transition towards the market economy and democracy" (Tegze 1999 p 174). The transformation of the former socialist countries, which are to join the EU on May 1<sup>st</sup> of 2004, has to a large degree been influenced by the demands from the EU on their economic and political development, which in itself explains a part of the "success story" that at least some of these countries have experienced. There are several growing economies and rather stable democratic systems in this part of Europe, although some remnants of the past, i.e., the communist system remain, more in the eastern than in the western part of the former communist region.

This is the picture from a high vantage point. If we look at another part of reality, we may also observe another general pattern; namely increasing social inequality. There is now a wider gap between the "new rich" and the "new poor" (Silverman & Yanowitch 1997) in nearly every former communist country, even if we compare it with the social gap between the upper elite and the common people during the communist era (*Transition...2002* p xiv). There are, of course differences between different countries in this aspect as well, but in general these differences seem to be connected to the new power structure – and its relationship to the old one – and the ways the privatization process took place. The privatization of the former state enterprises involved enormous opportunities to get rich – if you had the right connections to the new power – and some people did.<sup>1</sup>

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<sup>1</sup> According to an article in the journal *Fortune* (2003-09-02), half of the richest ten persons under the age of 40 in the world are Russians. The famous Roman Abramovich – who owns the English football team Chelsea – is number two with an estimated fortune of 8,3 billion US dollar.

There is however, also another story, or, better said, a lot of other stories. During the fifteen years that have passed since the liberal revolution, millions and millions of ordinary people have tried to adjust to the new situation, to take advantage of it or to try to survive and live as well as possible. There seems to be a pattern among the citizens of these countries, which shows that older people and people employed in or who are dependent on the public sector – teachers, nurses, students, seniors etc – have more difficulties than young people with a high education and connections in the political or the economic sphere. This tendency is clearly exemplified by a voting behavior that shows that the older and poorer a person is, and the more hardship he/she has experienced in life after the fall of communism, the more positive his/her attitude is toward the communist past and contemporary communist/socialist parties than among other groups of the population.

Behind these general images there are therefore millions and millions of different destinies, which cannot be grasped if we only study the transformation of the Eastern European societies from above. This is not to deny that a large part of the changes have been implemented "from above", but the result of the incitements, which have been given to the ordinary people, basically depends on how they respond to them. When an old social order has collapsed and a new is emerging, it is especially important to study how "ordinary people in their everyday life" understand and act in the new circumstances. It is, as Piirainen (1997 p 4) notes, always "...the individual people who form the new structure, restructure the society. A social order is formed as a collective outcome of individual choices and actions — and the restructuring of a society may be seen as an interaction of old collective outcomes and new choices and actions made by individual members of society."

*Ever since the beginning of the transformation process, the political leadership in both the East and the West and the major international economic organizations have developed a specific rhetoric about "the transition to a market economy," which has since come to be reflected in public opinion as well. The economists in the East as well as the West, inspired by free market ideas, have been particularly optimistic about the transition. Their implicit point of departure was a simplified model of Western capitalism: a system characterized by market coordination based on private ownership. They thus saw the transition as a shift from an artificial and irrational order based on planning and state ownership, through universal deregulation, to a spontaneous, self-regulation, and rational order: the market economy. (Chavance 1994 p 205)*

Some of the problems connected with understanding the developments of the former communist societies can be analyzed with the help of the concepts *transition* and *transformation*. The former concept has been used by most social scientists, who have studied the post-socialist development (see chapter x in this book). This concept has also been used very frequently in the general debate about the direction of the development, and the "transition paradigm" has been very influential in shaping our understanding of what has happened and what is going on in the former communist countries. There is, however, a hidden and deep-lying idea connected with this concept, an idea that is closely related to the general ideological situation that existed when communism fell. One can say that around 1990 the neo-liberal ideology reached its peak of influence over the world, and that, therefore, the direction, which the new independent countries (NIC) in Eastern

Europe should take, was already written.<sup>2</sup> The goal of the new countries was supposed to be a fast transition to market economies and democratic political systems. Because these systems were supposed to exist in the Western countries, the NIC countries were expected to evolve in a direction that should make them look like us as fast as possible in "a new crusade" (Cohen 2001), and "as rapidly as the countries announced the abandonment of communism, so too did western advisers march in with their sure-fire recipes for a quick transition to a market economy" (Stiglitz 1999 p 1).

Another concept that has been used in this context is the concept of *transformation*, which is preferred by social scientists who are critical to the concept of transition. If we look at the etymology of the concepts, we find that "transition" derives from the Latin word *transito* (crossing), which in its turn comes from *transeo* (go over, NE 18 p 384). This means that "transition" is a concept that defines a process of going from one place or stage to another (like in the word "transit hall" in airports). In the case of the former socialist countries, the starting point was "communism", and the end point was "market and democracy" of a Western type. Without going into details about how this concept also has influenced the actual development in different countries, one can at least say that most of the Western governments and institutions like the World Bank, the IMF and the EBRD all had this "bridge concept" of what was to be done in the former communist countries. This is not to deny that there actually has been a transition in many of the Central and Eastern European countries, especially in the candidate countries, which had clear "transitional goals" in order to adjust to the demands of the European Union before they could be members. It is also well known that eight of them have succeeded and have completed their transition, at least according to the EU standard, and among them, especially "Hungary appears to have enjoyed relative success so far in the transition from communist rule to democracy and market" (Cox & Furlong 1995 p 1).

For other former communist countries, however as well as for millions of ordinary people in all countries, the concept of transition is not fully appropriate to describe all of the changes in their everyday lives. For example, "the 'transition to a market economy' following the collapse of the Soviet Union was supposed to stimulate the growth of an economy free from the stultifying constraints of the Soviet system of centralized management, but in fact it led to an economic collapse unprecedented in world economic history. According to the best available data, GDP fell by half between 1990 and 1998." (Clarke 2002 p 2). For Russia, the result was, according to data "in the 1999 World Development Indicators, ... poverty—defined as \$4 a day—increased from 2 million to over 60 million by the middle of the decade (Stiglitz 1999 p 1). There are, of course, a many reasons for this catastrophe, external as well as internal.<sup>3</sup> The basic idea connected with the "transition paradigm" does also have weaknesses from a social scientific point of view:

*A transition implies a temporary state between two fixed positions, a movement between the point of departure and that of arrival. Many of the economists, politicians and*

<sup>2</sup> This "time-situated" aspect of the "transition paradigm" makes one of its critics to argue for abandoning it: "The transition paradigm was a product of a certain time—the heady early day of the third way—and that time has now passed. It is necessary for democracy activists to move on to new frameworks, new debates, and perhaps eventually a new paradigm of political change—one suited to the landscape of today, not the lingering hope of an earlier era." (Carothers 2002 p 20)

<sup>3</sup> See Reddaway & Glinski 2001 and Hough 2001 for analysis of the intertwining of the political and economic transition in Russia, and Hellman 1998 for all post-communist countries.

*management consultants involved in the process of restructuring appeared initially to place a somewhat unwarranted faith in the inevitability of a transformation to a capitalism demand economy, arguing that given the correct and economically rational conditions, ideal of standard liberal democracy would eventually take root. In a way reminiscent of development thinking of the post-war period, these assumptions hinge on the idea of a lineal progression, in which, if the correct procedure is followed, the desired outcome can be assured. Theorists of the post-war period assumed that development would lead automatically to modernity if local people could only be persuaded to abandon the constraints and chains of traditional culture; in a similar fashion, post-socialist planners have emphasized the economic freedom which will result as the antiquated machinery of state socialism is shed and the principles of free-market capitalism embraced. (Bridger & Pine 1998 p 3)*

If we turn to the other concept – “transformation” – its etymology comes from the Latin word *transforma'tio* (conversion) and *transfo'rmo* (re-form or reshape, *NE* 18 p 381). This means that “transformation” is a more abstract concept than “transition”, or in other words, both concepts point at some process of change, but the former concept doesn't have the teleological bias connected with the latter one. This does not mean, of course, that the concept of transition should not be used at all, but it means that one has to be conscious of its underlying meanings discussed above. One could even say that the tension between the concepts *transition* and *transformation* could be used in an analysis of different socio-economic and political outcomes in different Eastern European countries. If there was a pronounced goal for the post-socialist direction (for example, to join the EU), it is more accurate to use the concept of transition. If such a clear goal never existed, it is better to use the concept of transformation. The question in the former case is, then, to identify explicit overarching goals, which were set by different actors and analyze if and how they have or have not contributed to the transition process. The question in the latter case should consequently be to try to identify hidden goals that different actors and groups could possibly have and how these goals have influenced the transformation process.

The concepts *transition* and *transformation* can also be used in a discussion about the relations between the macro and micro levels in the development of post-socialist societies. One may generally suggest that the concept of *transition* applies more to a macro level analysis, while transformation applies more to a micro level analysis. The reason for this is that it is much easier to analyze “system transitions” than “everyday life transitions”. People generally do not have such clear-cut goals in their everyday life that we can talk about a starting point and an end point. The “transition paradigm” is therefore more common in macro level social sciences like economics and political science, while the “transformation paradigm” is more common in micro level social sciences like ethnology, ethnography and anthropology, with sociology located somewhere in between. There is a general pattern in the social sciences that the acting individual is often disregarded in macro analysis, and the wider context is often neglected in microanalysis. This is nothing strange, both macro and micro level analysis make their respective abstractions, which look like a reflection in a mirror.

Micro level social scientists therefore criticize the use of “transition” as an analytical concept, because “in conventional portraits of the ‘transition’ the micro is determined or is an expression of structures, policies, and ideologies of a macro character, with little theorization of the unintended consequences brought about locally by political and cultural

contestation intertwined with economic struggles” (Burawoy & Verdery 1999 p 1). Instead, the micro-orientated social scientists try to understand how ordinary people in their everyday lives understand macro level changes, react to them and try to change their lives in order to cope with the changing circumstances. There are, of course, enormous differences between how people in the former communist countries react to their new social environment. Country, age, profession, social class, gender, place of living, position and experiences in the old society compared to position and experiences in the new society, personal preferences and dislikes, etc, are examples of factors that separate groups and individuals from each other.

To understand how local traditions and stable social networks on the local level influence for example Russian mineworkers in their struggle to survive, the privatization process in a small village in Bulgaria or the cross-border trade at the Greek-Albanian border (to name just a few of the thousands of local micro analyses that have been made after 1990), we have to get a deep and concrete knowledge of the local social structures, which cannot be deduced from the macro level social structures. If one studies some of the literature about these micro level responses to macro level change, the deepest impression is how different the reactions are. There is absolutely no uniform positive or negative response, to the new circumstances. Maybe one can say that many people regard the macro level changes as some kind of inevitable and inescapable facts of life. This may, of course, be viewed as a heritage from the communist past, but at the same time most people do not have more influence over their lives now than they did before. One should, therefore, be cautious when trying to understand how ordinary ”people cope with the new situation on an everyday basis, how they maintain their lives and handle complications and new opportunities” (Arnstberg & Borén 2003 p 7). We shall not reduce their actions and reactions to either the old or new social rules emanating from the macro level:

*... we cannot conceive of the transition as either rooted in the past or tied to an imagined future. Transition is a process suspended between the two. Policies emanate from the centre and encounter resistance, which reverberates back as unintended consequences demanding corrections. Policy and reaction enter into a continual interaction that makes up the process of the transition. This process is therefore not a unilateral one of moving from one stage to the next, as projected in the neoliberal plans, but a combined and uneven one having multiple trajectories. (It is for this reason we tend to prefer the term transformation, which has fewer teleological resonances than transition.) That is, policies combine with preexisting circumstances in different ways to produce different outcomes and reactions. This combination means the process is also uneven, affecting different regions and, within regions, different sectors at different rates. (Burawoy & Verdery 1999 p 14f)*

Many people in Eastern Europe have benefited from the changes that have taken place, most of them in the political and/or economic spheres. There are also many artists, athletes, media celebrities etc. who have successfully climbed to a top position in society. Not everyone in the new elite is a newcomer in their positions. Many from the old *nomenclatura* used their position and their connections to find beneficial places in the new society. It is true, however, that a majority of the ordinary people has experienced hardship, even extreme hardship, during the transition process. There are also many people who in one way or another try to continue to live their lives like before. Many things have changed, but the wish to make a better life for oneself or one’s own family is not new.

Only the rules of the game are new, or perhaps, not as new as many people think. These "ordinary people" do not belong to the lowest and poorest class, but they are still not a part of the upper-middle class. They "constitute an overwhelming majority—70percent of all Russian households" (Avraamova 2003 p 504), and most of them try to live according to the new economic and political reality, but at the same time, use their social experiences of how to behave to succeed with their life projects.

In the following two chapters we will meet some of these "ordinary people" who have found a way to adapt to the new realities in Russia and try to work toward an upward social mobility or respect for the laws. In other words, they try to live and work in the new Russian society and to behave as if it really has transformed into a democratic society with a stable market economy. One group represents the economic sphere, and consists of young professional businessmen/women who have spent a lot of time and money to get an education in a Western business school and to implement that knowledge in their current occupations. The other group represents the political public sphere, and consists of activists in different human rights NGOs. The reason why they chose to live like they do, how they regard the new society, their hopes and fears can tell us a lot about how these "people in transition" contribute to the large scale transformation of their society. People obviously cannot live in a new society as long as they think that the old one still prevails. Even if these two groups do not represent the majority of the Russian population, it is interesting to analyze them because they represent people who behave as if the goals of the transition – a stable democracy with an open public sphere and a civilized market economy ruled by law –have already been achieved. The point is not whether Russia already is a stable democracy with a modern market. The point is that when people start to act *as if* these social institutions exist, they contribute in a small but important way to the social construction of these institutions. If they succeed is another question, it depends on forces far beyond their control. The point is that they try to create a society in which they want to live.

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